

## Department of Housing and Urban Development

2403.204

(1) The Chief Procurement Officer, for HUD Headquarters procurements. The Chief Procurement Officer may delegate this authority to the Deputy Chief Procurement Officer; and

(2) The Directors, Field Contracting Operations, for procurements on behalf of their field-based requiring activities.

*Legal Counsel* means the Office of General Counsel in Headquarters, or the cognizant Assistant General Counsel in the field.

*Primary Organization Heads* are those officials of the Department who are responsible for the major organizational components of HUD and who report directly to the Secretary or Deputy Secretary. The Primary Organization Heads of HUD include the Assistant Secretaries and equivalent Departmental management (e.g., President, GNMA, Inspector General, General Counsel, Chief Procurement Officer, etc.).

*Secretary* means the Secretary of the Department of Housing and Urban Development, or his or her designee.

*Senior Procurement Executive* means the Chief Procurement Officer.

[64 FR 46094, Aug. 23, 1999, as amended at 71 FR 2435, Jan. 13, 2006]

## PART 2403—IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST

### Subpart 2403.1—Safeguards

Sec.

2403.101 Standards of conduct.

### Subpart 2403.2—Contractor Gratuities to Government Personnel

2403.203 Reporting procedures.

2403.204 Treatment of violations.

### Subpart 2403.3—Reports of Suspected Antitrust Violations

2403.303–70 Reporting requirements.

### Subpart 2403.4—Contingent Fees

2403.405 Misrepresentations or violations of the Covenant Against Contingent Fees.

### Subpart 2403.5—Other Improper Business Practices

2403.502–70 Subcontractor kickbacks.

### Subpart 2403.6—Contracts With Government Employees or Organizations Owned or Controlled by Them

2403.602 Policy.

2403.670 Solicitation provision and contract clause.

AUTHORITY: 42 U.S.C. 3535(d).

SOURCE: 49 FR 7700, Mar. 1, 1984, unless otherwise noted.

### Subpart 2403.1—Safeguards

#### 2403.101 Standards of conduct.

Detailed rules which apply to the conduct of HUD employees are set forth in 5 CFR part 2635 and 5 CFR part 7501.

[64 FR 46095, Aug. 23, 1999]

### Subpart 2403.2—Contractor Gratuities to Government Personnel

#### 2403.203 Reporting procedures.

Suspected violations of the gratuities clause (FAR 52.203–3) shall be reported to the Head of the Contracting Activity (HCA) in writing. The HCA will request the Office of Inspector General (OIG) to conduct any necessary investigation. Upon receipt of the OIG report, the HCA will evaluate the circumstances to determine if a violation has occurred. The HCA will refer violations and recommended corrective actions to the Senior Procurement Executive for disposition.

[49 FR 7700, Mar. 1, 1984, as amended at 51 FR 7948, Mar. 7, 1986]

#### 2403.204 Treatment of violations.

The Senior Procurement Executive will process violations in accordance with FAR 3.204.

[49 FR 7700, Mar. 1, 1984, as amended at 51 FR 7948, Mar. 7, 1986]

### **Subpart 2403.3—Reports of Suspected Antitrust Violations**

#### **2403.303-70 Reporting requirements.**

Potential anti-competitive practices such as described in FAR subpart 3.3, evidenced in bids or proposals, shall be reported to the Office of General Counsel through the Head of the Contracting Activity with a copy to the Senior Procurement Executive and the Inspector General. The Office of General Counsel will provide reports to the Attorney General as appropriate.

[49 FR 7700, Mar. 1, 1984, as amended at 51 FR 7948, Mar. 7, 1986]

### **Subpart 2403.4—Contingent Fees**

#### **2403.405 Misrepresentations or violations of the Covenant Against Contingent Fees.**

(a) Government personnel who suspect or have evidence of attempted or actual exercise of improper influence, misrepresentation of a contingent fee arrangement, or other violation of the Covenant against Contingent Fees shall report the matter promptly to the Head of the Contracting Activity.

(b) When there is specific evidence or other reasonable basis to suspect one or more of the violations in paragraph (a) of this section, the Head of the Contracting Activity shall review the facts and, if appropriate, take or direct one or more of the following, or other, actions:

(1) If before award, reject the bid or proposal.

(2) If after award, enforce the government's right to void the contract or to recover the fee.

(3) Initiate suspension or debarment action.

(4) Refer suspected fraudulent or criminal matters to the Office of Inspector General for possible referral to the Department of Justice.

[49 FR 7700, Mar. 1, 1984. Redesignated at 64 FR 46095, Aug. 23, 1999]

### **Subpart 2403.5—Other Improper Business Practices**

#### **2403.502-70 Subcontractor kickbacks.**

Contracting Officers shall report suspected violations of the Anti-Kickback

Act through the Head of the Contracting Activity to the Office of the Inspector General consistent with the procedures for reporting any violation of law contained in the current HUD Handbook 2000.3, Office of Inspector General Activities.

[64 FR 46095, Aug. 23, 1999]

### **Subpart 2403.6—Contracts With Government Employees or Organizations Owned or Controlled by Them**

#### **2403.602 Policy.**

The Senior Procurement Executive must approve exceptions to the restriction against contracts with Government employees under FAR subpart 3.6. In addition, the Contracting Officer shall comply with FAR subpart 9.5 before awarding any such contract.

[49 FR 7700, Mar. 1, 1984, as amended at 51 FR 7948, Mar. 7, 1986. Redesignated at 64 FR 46095, Aug. 23, 1999]

#### **2403.670 Solicitation provision and contract clause.**

Insert the clause at 48 CFR 2452.203-70 in all solicitations and contracts.

[65 FR 3576, Jan. 21, 2000]

## **PART 2404—ADMINISTRATIVE MATTERS**

AUTHORITY: 42 U.S.C. 3535(d).

### **Subpart 2404.8—Government Contract Files**

#### **2404.805 Storage, handling and disposal of contract files.**

(a) Unsuccessful cost and technical proposals shall be retained in the contracting activity for a period of two months following the contract award as reference material for debriefings. Upon expiration of the two month period, the contracting office shall either:

(1) Retain one copy of each such proposal with the official contract file; or,

(2) Ship one copy of each unsuccessful bid or proposal to the Federal Records Center unless a debriefing has